

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE  
EXECUTIVE OFFICE OF THE PRESIDENT  
WASHINGTON, D.C.  
20506**

---

USTR Press Releases are available on the USTR home page at [WWW.USTR.GOV](http://WWW.USTR.GOV).  
They are also available through the USTR Fax Retrieval System at 202-395-4809.

---

**FOR IMMEDIATE RELEASE  
June 19, 1997**

**Contact: 97-57  
Jay Ziegler  
Kirsten Powers  
Christine Wilkas  
(202) 395-3230**

**UNITED STATES AND JAPAN REACH AGREEMENT ON  
DEREGULATION INITIATIVE**

**DENVER--** Today President Clinton and Prime Minister Hashimoto announced a new initiative on deregulation of the Japanese economy, aimed at increasing market access for foreign producers of goods and services and at benefitting Japanese consumers with greater choice and lower costs. Today's announcement follows from the President and Prime Minister's decision at their meeting in April 1997 to pursue an enhanced initiative on deregulation under the U.S. - Japan Framework Agreement.

"This agreement puts us on a course to address some of the most pressing barriers to fair and open competition in the Japanese economy, and ensures that U.S. concerns will be addressed in Japan's deregulation efforts," said U.S. Trade Representative Charlene Barshefsky. "We have identified five major areas of the Japanese economy which present major opportunities for U.S. industries that are the most competitive in the world. Our objective is to see concrete progress within a year in achieving market-opening reforms."

"This agreement augments our multi-faceted approach to opening the Japanese market. We will continue to address the full range of market access barriers in Japan through enforcement of our existing bilateral agreements, pursuits of our rights under the WTO, implementation of the Framework, and other bilateral and multilateral avenues as appropriate."

The deregulation agreement identifies specific sectoral areas for reform including telecommunication, medical devices and pharmaceutical products, housing and construction products, and financial services. Initial structural issues of concern will include competition policy and distribution, transparency and other government practices.

Under the terms of the new agreement, experts from the two countries will meet this summer to work out concrete measures to improve market access and enhance consumer benefits in these areas. The experts will report their progress in writing to the Deputy USTR and the Vice Minister for Foreign Affairs in Japan which will meet regularly to resolve issues that the experts are unable to resolve. The high-level group will report progress directly to the trade ministers and the leaders of the two countries.

“This enhanced initiative on deregulation strengthens the Framework agreement and builds on the many successful market opening agreements negotiated by the Clinton Administration. In areas such as insurance, wood products, and auto parts replacement, trade agreements aimed at deregulation have produced significant market-opening results. With today’s initiative, we aim to use this process to achieve similar gains in these critical additional sectors.”